

# SENATE RECORD VOTE ANALYSIS

106th Congress  
1st Session

Vote No. 245

July 30, 1999, 1:27 p.m.  
Page S-9902 Temp. Record

## TAXPAYER REFUND ACT/Pension Plan Mandate

**SUBJECT:** Taxpayer Refund Act of 1999 . . . S. 1429. Harkin motion to waive the Budget Act for the consideration of the Harkin amendment No. 1454.

### ACTION: MOTION REJECTED, 48-52

**SYNOPSIS:** As reported, S. 1429, the Taxpayer Refund Act of 1999, will give back to the American people \$792 billion of the \$3.3 trillion in surplus taxes that the Congressional Budget Office (CBO) has projected that the Federal Government will collect over the next 10 years. The projection is based on assumptions of 2.4-percent average annual growth in the economy, no growth in discretionary spending after 2002, and entitlement spending growth as required under current law. Approximately \$1.9 trillion of the surpluses will be Social Security surpluses (Republicans have been attempting to defeat a Democratic filibuster of a proposal to protect those surpluses from being spent; see vote Nos. 90, 96, 166, 170, 193, and 211). After protecting the Social Security surpluses and providing tax relief of \$792 billion, \$505 billion will remain for additional spending or debt reduction. The average growth rate over the past 50 years has been 3.4 percent. The current growth rate is around 4 percent. If the 3.4-percent average rate is maintained for the next 10 years, then (using the CBO rule-of-thumb chart from Appendix C of the January 1999 Economic and Budget Outlook) the surplus will be roughly \$4.9 trillion, not \$3.3 trillion. Key tax relief provisions include that the bottom tax rate will be lowered to 14 percent and expanded (providing \$297.5 billion in tax relief over 10 years) and the tax burden on families will be cut (providing \$221.7 billion in tax relief). Tax relief will also be given to encourage saving for retirement, to make education and health care more affordable, to lower death taxes, and to lower taxes on small businesses.

**The Harkin amendment** would prohibit the conversion of any defined benefit pension plan for 100 or more employees to a cash balance plan if such a conversion did not meet new mandates regarding the amounts paid into the accounts for older employees.

All votes after vote No. 233 were on amendments or motions that were made after all debate time had expired. However, 2 minutes of debate were allowed before each vote by unanimous consent, some statements were inserted in the record, and some amendments and motions were debated prior to being offered or made. Senator Thompson raised a point of order that the motion

(See other side)

YEAS (48)			NAYS (52)		NOT VOTING (0)	
Republicans (3 or 5%)	Democrats (45 or 100%)		Republicans (52 or 95%)	Democrats (0 or 0%)	Republicans (0)	Democrats (0)
Grassley	Akaka	Kennedy	Abraham	Helms		
Jeffords	Baucus	Kerrey	Allard	Hutchinson		
Specter	Bayh	Kerry	Ashcroft	Hutchison		
	Biden	Kohl	Bennett	Inhofe		
	Bingaman	Landrieu	Bond	Kyl		
	Boxer	Lautenberg	Brownback	Lott		
	Breaux	Leahy	Bunning	Lugar		
	Bryan	Levin	Burns	Mack		
	Byrd	Lieberman	Campbell	McCain		
	Cleland	Lincoln	Chafee	McConnell		
	Conrad	Mikulski	Cochran	Murkowski		
	Daschle	Moynihan	Collins	Nickles		
	Dodd	Murray	Coverdell	Roberts		
	Dorgan	Reed	Craig	Roth		
	Durbin	Reid	Crapo	Santorum		
	Edwards	Robb	DeWine	Sessions		
	Feingold	Rockefeller	Domenici	Shelby		
	Feinstein	Sarbanes	Enzi	Smith, Bob (I)		
	Graham	Schumer	Fitzgerald	Smith, Gordon		
	Harkin	Torricelli	Frist	Snowe		
	Hollings	Wellstone	Gorton	Stevens		
	Inouye	Wyden	Gramm	Thomas		
	Johnson		Grams	Thompson		
			Gregg	Thurmond		
			Hagel	Voinovich		
			Hatch	Warner		

#### EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

#### SYMBOLS:

- AY—Announced Yea  
AN—Announced Nay  
PY—Paired Yea  
PN—Paired Nay

violated section 305 of the Budget Act. Senator Harkin then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: A three-fifths majority (60) vote of the Senate is required to waive the Budget Act. After the failure of the motion to waive, the point of order was upheld and the amendment thus fell.

**Those favoring** the motion to waive contended:

Many companies in America that offer pensions are switching from defined benefit plans to cash balance plans. We have no problem with them making that switch if they do it fairly. Some companies are not doing it fairly. They are degrading the value of the pensions of their older workers. The Harkin amendment would stop that practice. We urge our colleagues to support this amendment.

**Those opposing** the motion to waive contended:

Employer sponsorship of defined benefit pension plans has been declining over the last few years, mainly due to the increased regulatory burden that Congress and the Internal Revenue Service have placed on employers who offer these plans to their employees. The Harkin amendment would make that burden much greater by substantially impairing an employer's ability to design or change a plan to meet the changing needs of the business and its employees. In addition, it would punish good corporate citizens who maintained pension plans while leaving other companies free to terminate their plans in order to escape the application of this new law. This bill will enact more expansive disclosure requirements in order to deal with the problem of plan participants not knowing or understanding changes to their pension plans. It would not place new limits on those plans, though. Congress should focus on revitalizing the defined benefit pension system rather than on further destroying it by adding new burdens on employers who voluntarily establish such plans. Therefore, we urge our colleagues to oppose this amendment.